

MOHLTC/LHIN

Capital Working Group Bulletin

Issue #1
February 2008

Role of the Working Group:

The MOHLTC/LHIN Capital Working Group has been established to facilitate collaboration and partnership between the Ministry of Health and Long-Term Care (MOHLTC) and LHINs in addressing the capital requirements contained in the MOHLTC-LHIN Accountability Agreement (MLAA). Schedule 5, Financial Management, in the MLAA outlines the responsibilities and obligations of both the MOHLTC and the LHINs in the review and approval of capital projects.

Although the responsibilities and obligations are outlined in the MLAA, the Capital Working Group (membership attached) will operationalize these sections to ensure clarity for the MOHLTC, LHINs, and the health service providers (HSPs). As per the MLAA, the working group will address a number of health capital programs including general capital initiatives, own funds capital projects, Health Infrastructure Renewal Fund (HIRF), and Post Construction Operating Plan (PCOP) funding.

It is the intent of the working group to provide communication and tools on the capital approval process that reflect the new MOHLTC/LHIN environment that can be used by the MOHLTC, LHINs, and HSPs.

Capital Provisions in the MOHLTC/LHIN Accountability Agreement

Under Section 5, paragraphs 19-21, of the MLAA, it states that:

Both parties will work together to:

- Carry out capital planning in alignment with the Provincial Strategic Plan and the Guide referred to in Schedule 2: Community Engagement, Planning and Integration; and
- Coordinate approvals for service reconfigurations or expansions by health service providers that may require capital projects; and

- Enable the LHIN to provide advice about the consistency of a health service provider's Capital Initiative with local health system needs during Capital Initiative review and approval processes, including pre-proposal, business case and functional program stages.

Specific LHIN roles are also outlined in Schedule 5 with respect to Own Funds Capital Projects, the Health Infrastructure Renewal Fund (HIRF), and Post Construction Operating Plan (PCOP) funding.



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Stages of Capital Planning

The early capital planning stages are referred to as Pre-proposal, Proposal/Business Case Stage and the Functional Program Stage. HSPs must fulfill the requirements of each stage, which require ministry approval, to advance to the next capital planning stage.

The Capital Working Group is developing ways for LHINs to provide advice about the consistency of HSPs initiatives for each of the early planning stages. There is an expectation that HSPs will develop its plans in the context of LHIN local area plans and local planning priorities.

At pre-proposal, review from the LHINs will assist in the process for assessing the link to population need and regional/local initiatives. At each of the Proposal/Business Case and Functional Program stages, review from the LHINs would assist in the process for determining the scope of programs.

It should be noted that local health system need is one component of the each of the early planning stage submissions. Other components include facility renewal, planning and design objectives, operations, accessibility, safety and security for users, infection prevention and control, and sustainability.

For each of these stages, the working group will provide updated communications and tools which will ensure the responsibilities; obligations and timelines for the MOHLTC, LHINs and HSPs are clearly articulated.

MOHLTC and LHIN Roles

While most health capital functions are retained within the MOHLTC, LHINs will play a significant role to ensure the local health needs are understood before commitments to new capital move forward.

An important part of the work of LHINs will be to work with HSPs to identify and prioritize local health service needs. Expansions to programs and

services may be required, and capital development may be required to implement these changes. The MOHLTC and LHINs will work together to establish common and formalized mechanisms to link programs and service changes with capital development.

In addition, LHIN involvement in capital decisions is imperative to ensure the operational impacts of the project and the associated financial responsibilities on the HSP are understood.

As part of the MOHLTC's transition planning, some of the roles and functions are under review and may alter once transition planning is completed. For additional information regarding the announcement for the new Health System Information Management and Investment Division, please see the January 31, 2008 issue of *NEW Directions* published by the Ministry of Health and Long-Term Care.

A listing of key MOHLTC staff responsible for health capital is attached to this bulletin.

ReNew Ontario

In 2005, the Government of Ontario introduced *ReNew Ontario*, its multi-year infrastructure investment plan for implementation of capital projects. Through *ReNew Ontario*, the government is supporting 76 new major projects as well as small projects, planning grants, and the Health Infrastructure Renewal Fund in the hospital sector. The plan also provides for community health and long-term care projects.

It must be noted that MOHLTC support to proceed with implementation of capital projects is subject to government decisions. Since a very limited number of major projects are likely to be added to the multi-year plan on an annual basis, stakeholder expectations need to be managed.

MOHLTC and LHINs Working Together

Some recent examples of collaboration as part of the working group are as follows:

1. Community Projects: Health capital investment protocols and criteria for community-based capital projects (ie, community mental health and addictions) will be developed and communicated over the coming year. The working group has developed an interim approach to manage smaller infrastructure repairs and upgrades. For infrastructure and repairs costing less than \$100,000, community health service providers will be asked to submit a request to the LHIN for approval to reallocate in-year operating funds. This would not require ministry review or approval. For capital projects over \$100,000, community HSPs may submit a request to the MOHLTC for consideration.
2. CT and MRI Projects: Protocols for the submission and review of CT and MRI proposals are under development and will be communicated once complete. With respect to the capital aspect of CT and MRI proposals, a screening criteria has been drafted. The intent is that MOHLTC would not define construction or renovation for a new or replacement CT and/or MRI as a capital project if the work is related solely to the installation of the equipment and its operation, and it will not have an impact on an approved capital redevelopment project(s) at the hospital (including local share), or on the hospital's Master Plan options or site plan. If a hospital cannot confirm it meets the criteria, MOHLTC would lead discussions with the LHIN to determine whether the proposal will be treated as a capital project.

The Working Group will continue to communicate with LHINs and the MOHLTC as it develops recommendations for the MOHLTC/LHIN interface regarding health capital investment.

Attachment 1 – Working Group Membership

Name	Title	Organization
Michael Barrett	Senior Director, Performance, Contract & Allocation (Co-chair)	South West LHIN
Meryl Hodnett	Acting Director (Co-Chair)	MOHLTC, Capital Planning & Strategies Branch
Laura Pisko	Senior Director, Planning, Integration & Community Engagement	Toronto Central LHIN
Pat Stoddart	Senior Director, Performance, Contract & Allocation	Central West LHIN
Kyle Johansen	Health System Transformation Specialist	South East LHIN
Suzanne McGurn	Senior Consultant, Planning & Integration	South East LHIN
Ron Shenfield	Project Manager	Central LHIN
Jean Trimnell	CEO	North Simcoe Muskoka LHIN
Cindy Webster	Senior Funding and Allocation Consultant	North Simcoe Muskoka LHIN
David Stolte	Director	MOHLTC, Health Reform Implementation Team
Linda Hunter	Team Lead	MOHLTC, Health Reform Implementation Team
Elaine Bishop	Policy Coordinator	MOHLTC, Health Reform Implementation Team
Barb Gull	Funding Lead	MOHLTC, Health Reform Implementation Team
John Babos	Manager, LHIN Relations & Coordination	MOHLTC, LHIN Liaison Branch
Nadia Surani	Team Lead, Planning and Negotiations	MOHLTC, LHIN Liaison Branch
John Hill	Manager, Information Services	MOHLTC, Capital Planning & Strategies Branch

Attachment 2 – Ministry of Health and Long-Term Care Contact List

Name	Title	Contact Number
David Stolte	Director, Health Reform Implementation Team	(416) 326-1276
Meryl Hodnett	Acting Director, Capital Planning & Strategies Branch	(416) 327-7051
Barb Gull*	Funding Lead, Health Reform Implementation Team	(416) 326-1088
John Hill**	Manager, Information Services, Capital Planning & Strategies Branch	(416) 327-8683
Linda D. Hunter	Team Lead, South West/Erie St. Clair/Hamilton Norfolk Haldimand Brant, LHIN areas	(416) 326-1148
Anne Barszczewski	Acting Team Lead, North & East LHIN areas (North East, North West, Champlain, South East)	(416) 327-9426
Nancy White	Acting Team Lead, Central, Central East, Central West, North Simcoe Muskoka LHIN areas	(416) 326-1099
Leela Prasaud	Acting Team Lead, Toronto Central, Mississauga Halton LHIN areas	(416) 326-6337
Wendy DeMarco*** John Marshall***	Consultant (Community) Consultant (Community)	(416) 212-5499 (416) 212-5502
Irene Medcof****	Manager, HSAP, Primary Care Branch	(416) 327-0807
Brian Davidson*****	Manager, HSAP, LHIN Liaison Branch, Provincial & Priority Programs, Community Services	(416) 327-7246

*Ministry contact for Post Construction Operating Plans (PCOP)

**Ministry contact for Health Infrastructure Renewal Fund

*** Ministry contacts for community-based mental health programs and substance abuse (addiction) programs

****Ministry contact for Community Health Centres

*****Ministry contact for mental health supportive housing including the Homelessness Initiative

Note: Effective January 31, 2008, David W. W. Clarke is the Director of the new Health Capital Investment Branch. A transition plan is being developed to transition the Health Reform Implementation Team, Capital Planning and Strategies Branch, and Alternative Financing and Procurement Branch into the new branch.